



The Voluntary Low Emissions (VALE) Program

To: Western-Pacific Region 5th Annual Conference
Los Angeles, CA

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VALE began in 2005

Targets airport ground emission sources



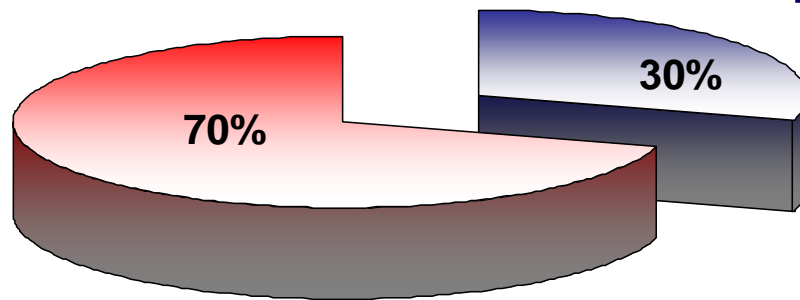
VALE Program Benefits

- Improves air quality/reduces GHGs
*Current 23 projects represent
Cars-Off-Road-Equivalent (CORE)
of 7,600 cars and trucks for 10 years*
- Increases funds for clean technology
and more project types
- Incentivizes early action
with emission credits
- Reduces operational and fuel costs
- Supports domestic alternative fuels
- Promotes good relations with air
quality agencies and the public



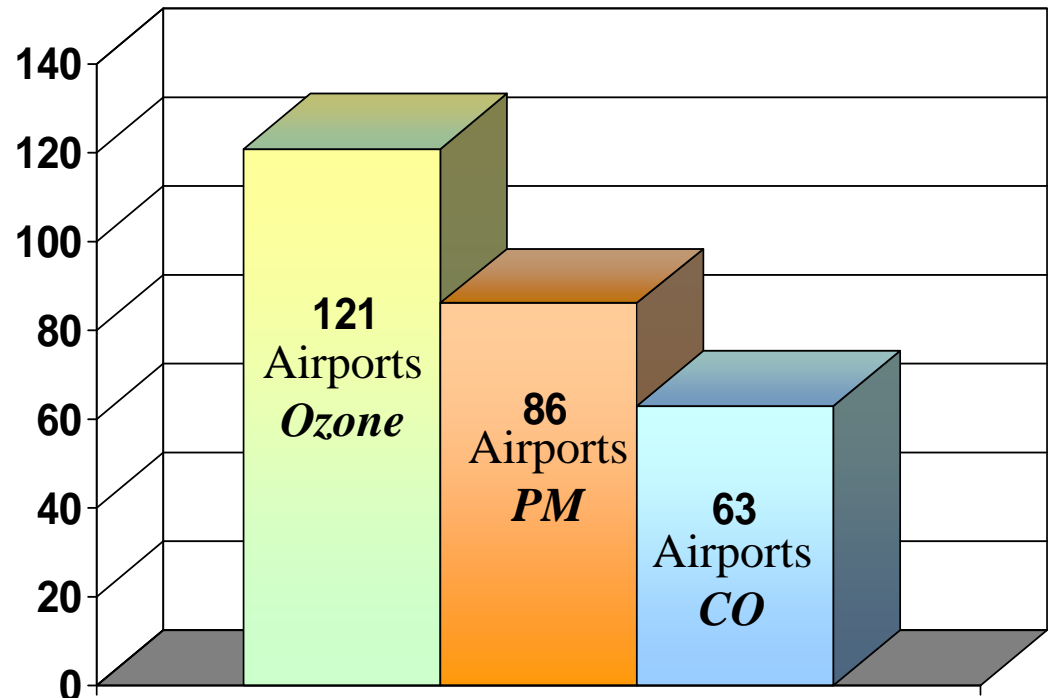
VALE is for Commercial Service Airports in Nonattainment or Maintenance Areas

156 of 527 CS Airports

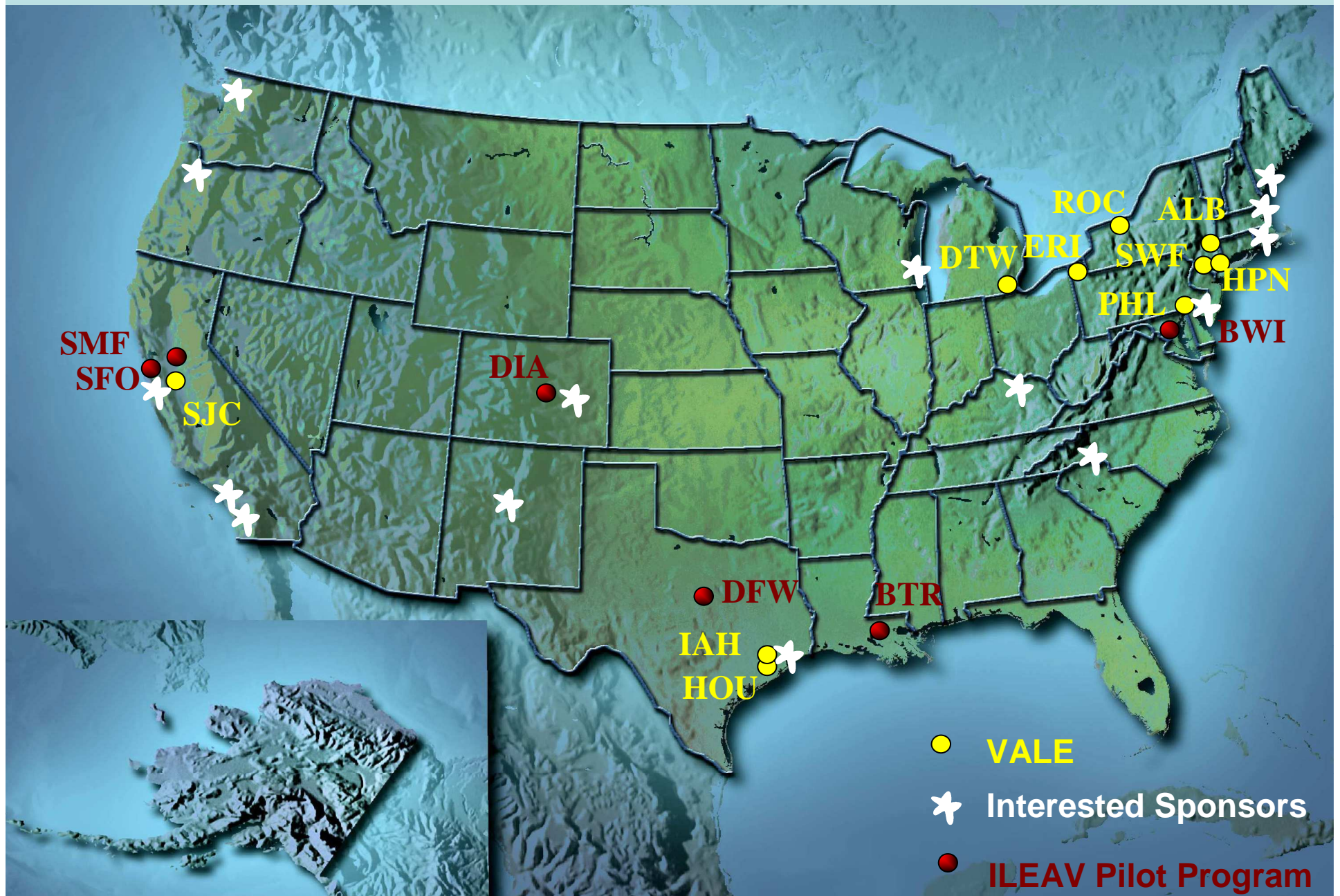


Pollutants of
greatest concern

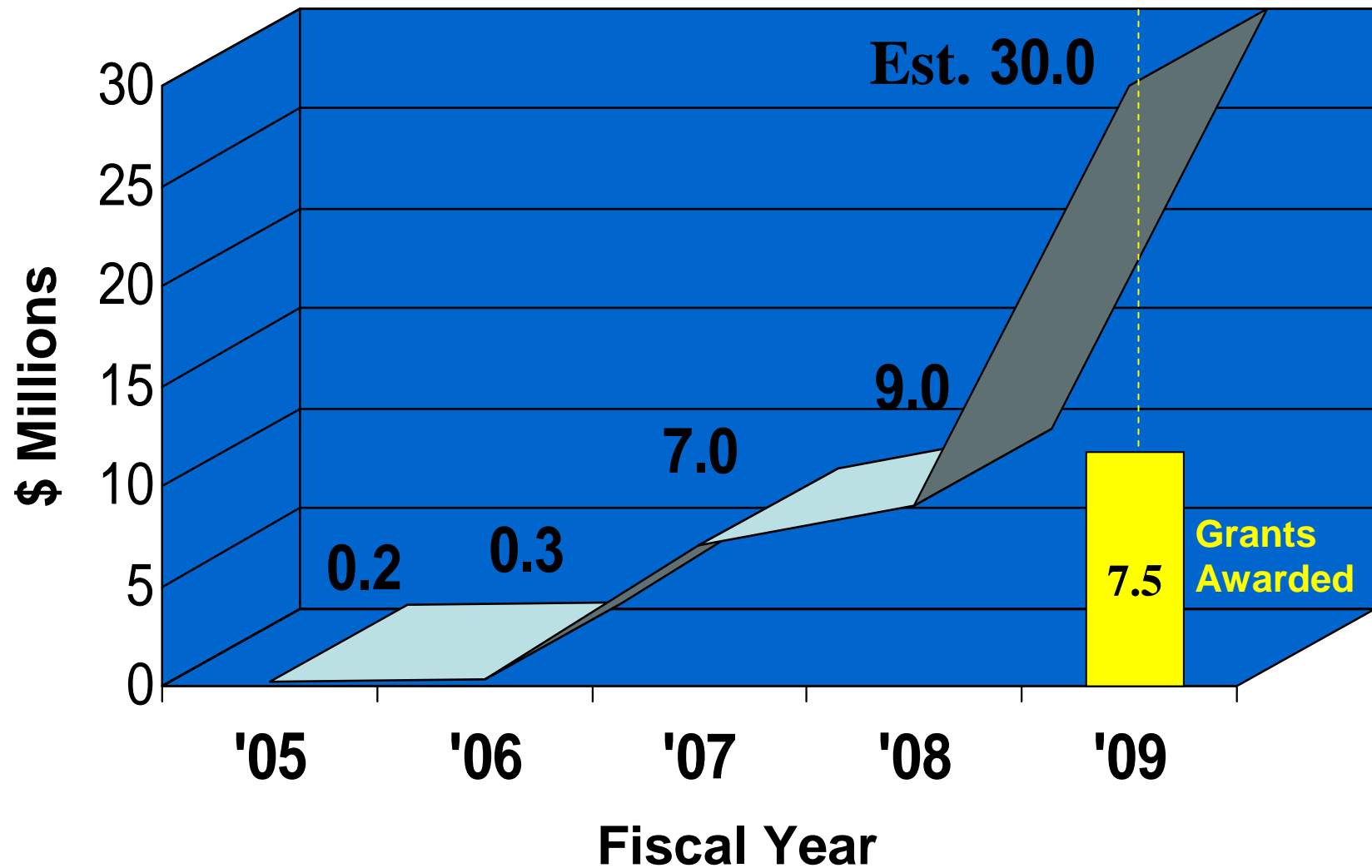
*More airports
will be affected
by new 2010
EPA ozone
designations!*



Past, Present, and Future Activity



VALE has High Priority This Year



Funding Programs

Airport Improvement Program (AIP)

\$3.5 Billion (FY '08)

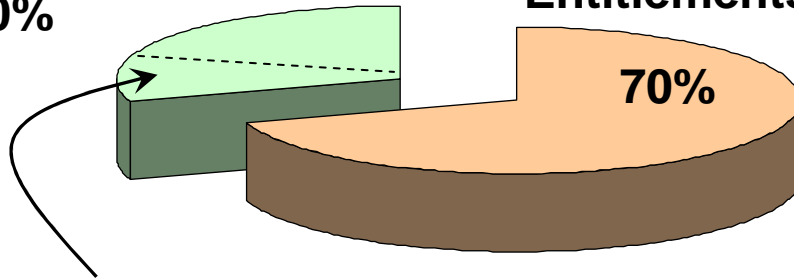
Discretionary

30%

Entitlements

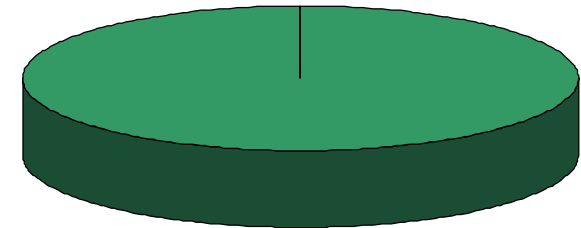
70%

*'noise and air quality set-aside'
(35% of discretionary)*

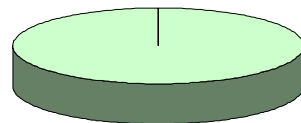


Passenger Facility Charges (PFC)

\$2.7 Billion (CY '08)



Discretionary



No VALE Economic Recovery Projects

\$1.1 Billion (FY '09)

Requirements

AIP Standard Grant Assurances (39)

Examples:

- Competitive bids
- “Buy American”
- *Cost Allocation Plan* if sponsor claims indirect costs (OMB Circular A-87)

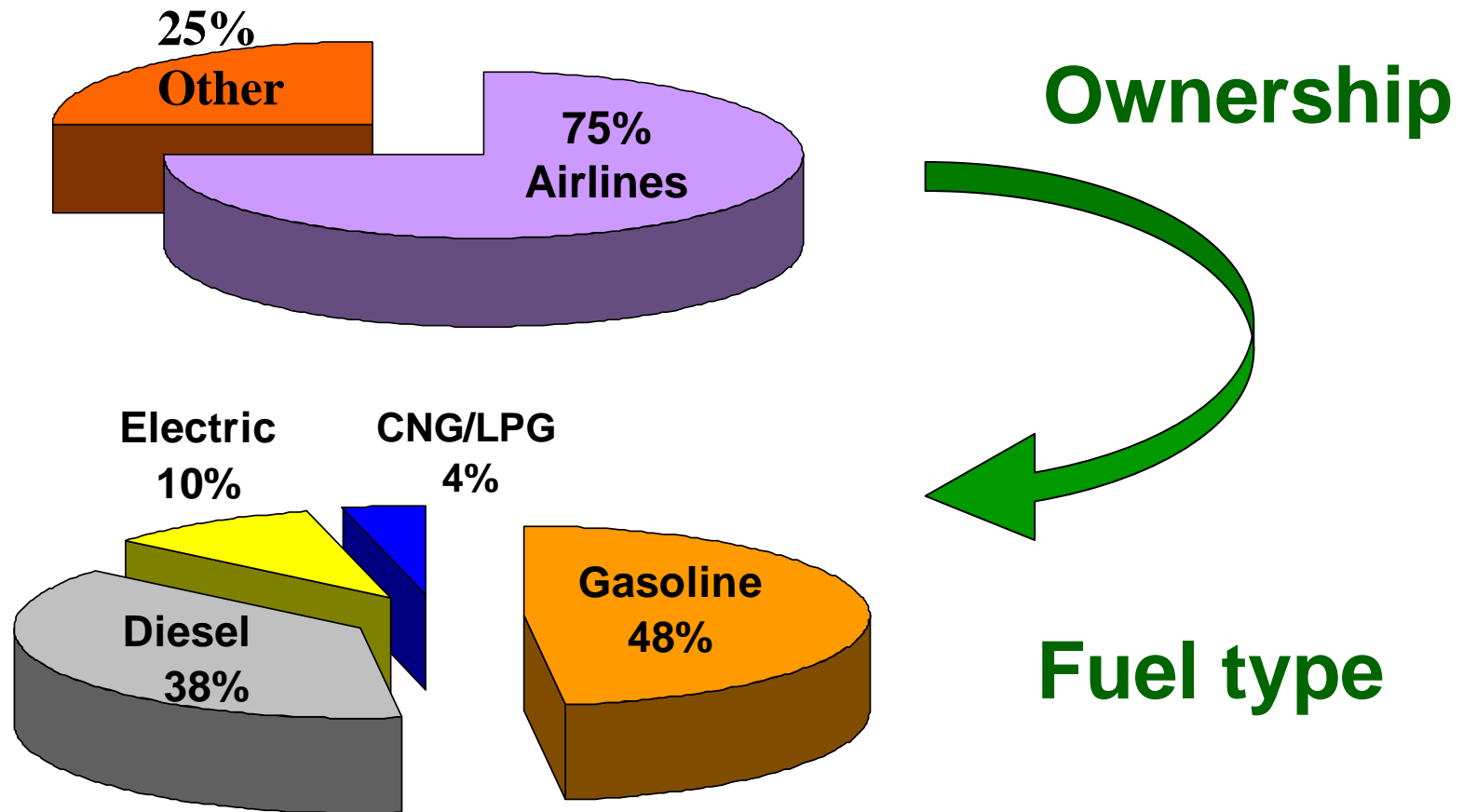
VALE Special Conditions

1. Vehicles remain at airport for useful life
2. Airport tracking and record-keeping
3. Replace in-kind or cleaner
4. Equipment labeling



FAA is Interested in an Updated National Inventory of General GSE Data

72,000 GSE total (2000)



VALE eGSE Projects at Philadelphia with US Airways and United



Hybrid Light-Duty Vehicles at Houston that meet VALE EPA-Based Low-Emission Standards



Vehicle Eligibility

AIP	PFC
New and retrofit vehicles that meet low-emission standards GSE and <u>airport-dedicated</u> on-road vehicles Incremental costs only (no base costs or O&M)	
Alternative fuels and hybrids	... and clean conventional fuels
Airport owned or leased	... and tenant owned
95% or 75% Federal share	100% PFCs

Gate Power

& Pre-Conditioned Air



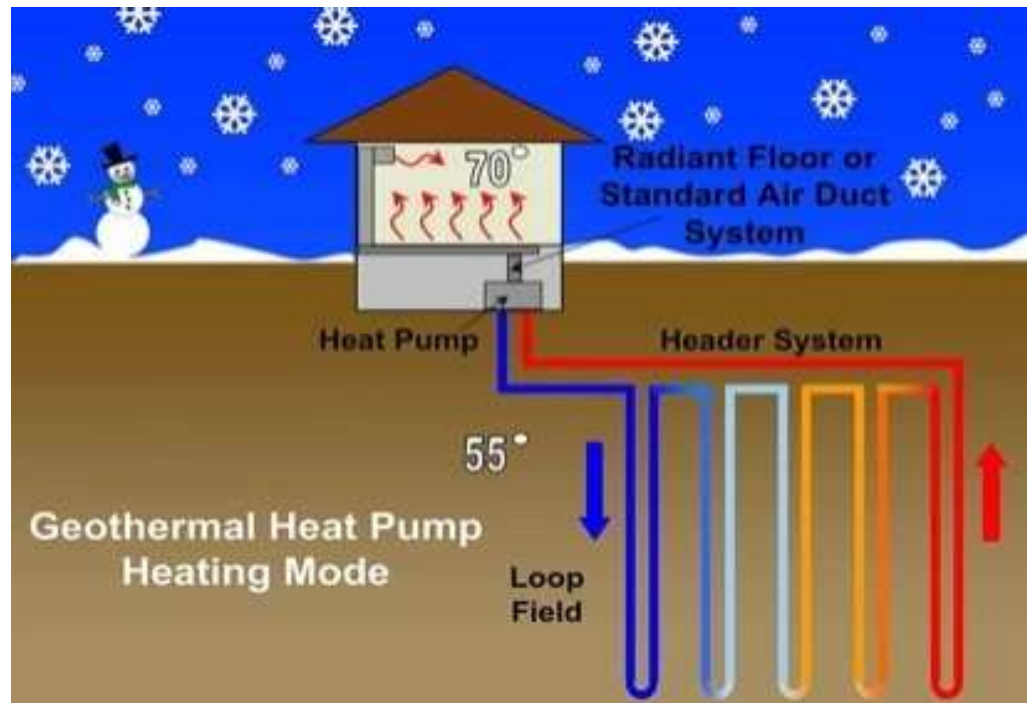
**to reduce
APU
usage**



New/Upgraded CNG Stations & CNG Shuttles at Rochester & Albany NY



Incremental Cost of Alternative Fuel HVAC Systems (e.g., GeoExchange)



Houston (IAH) Infrastructure Projects

VALE's Small Share Based on Available Emission Reductions and Credits

**Underground Fuel
Hydrant System
at Terminal B**



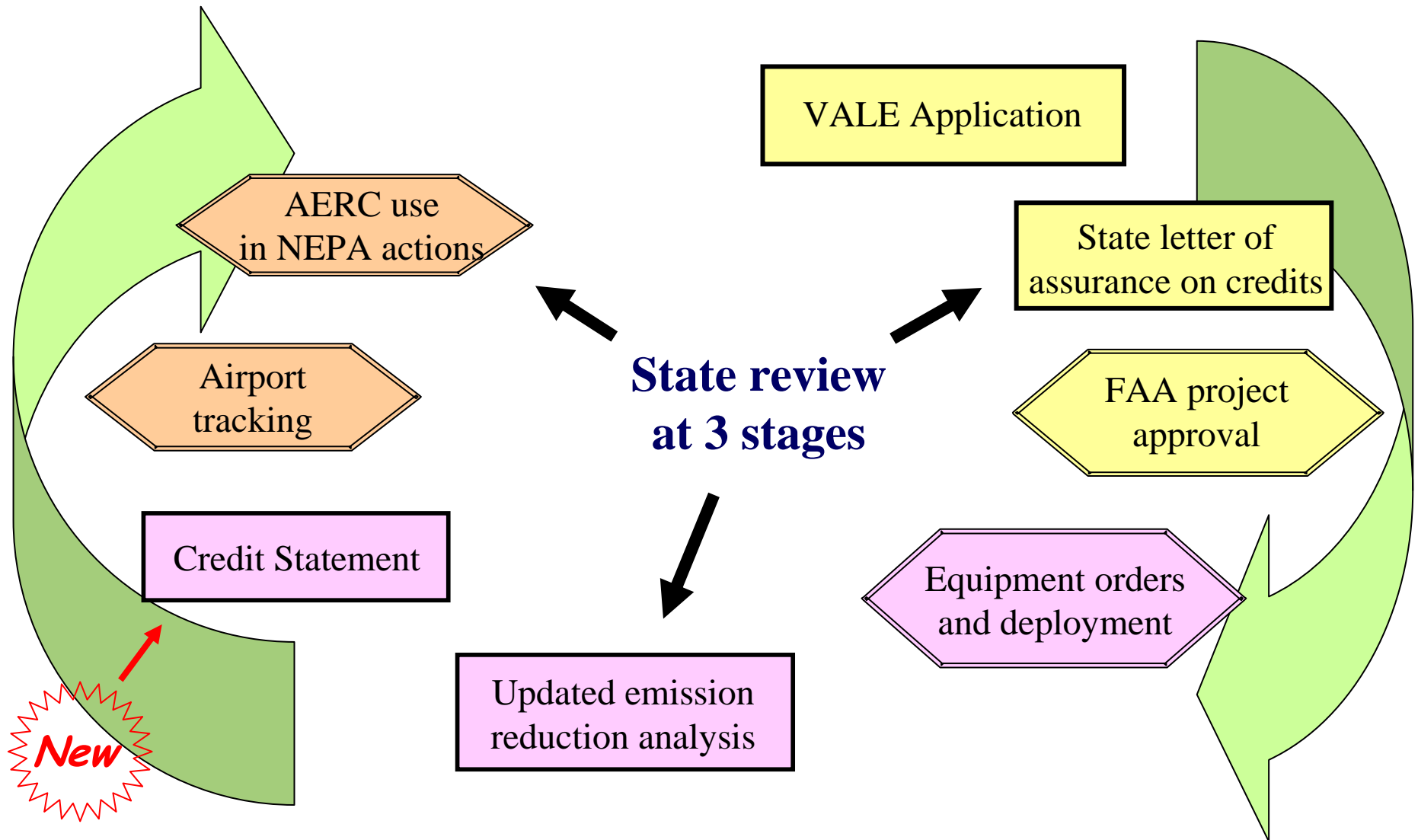
**Automated People Mover between
Terminal A and other Terminals**



VALE Cost-Share Considerations on Large Infrastructure Projects

- Basic eligibility for VALE AIP projects
 - Main purpose is air quality
 - Is “critical difference” to financial feasibility or CAA requirements
 - Located within airport boundary
 - Technology is proven and commercially viable (no R&D)
 - Equipment is airport owned or leased
 - Non revenue-producing (e.g., parking lots, rental car facilities, fuel farms)
- Cost-sharing factors
 - Public use areas of terminals and buildings
 - Portion related to VALE (e.g., central air or electrical upgrades)
 - Incremental costs of alternative fuel systems, if comparison exists
 - Maximum available emission reductions and credits (e.g. Houston)
- Applied Federal AIP share

State AQ Agency Approval Required for Airport Emission Reduction Credits (AERCs)



Why Should Airports “Load Up” AERCs

- **Protects emission reductions from voluntary airport efforts**
- **Offers flexibility – available when needed for any future development**
- **Valuable in General Conformity**
 - Earned on 1:1 basis by pollutant
 - Applied as design measures to *de minimis* levels
- **Avoids costs of more expensive offsets (trading) or mitigation**



Texas CEQ 2008 AERC Statement

Annualized methodology by pollutant over the project lifetime

AERC STATEMENT FOR APPLICATION TO FUTURE GENERAL CONFORMITY REQUIREMENTS					
George Bush Intercontinental Airport (IAH) – Houston Airport System VALE Projects in 2005 and 2007 (tons)					
Year	CO	VOC	NO_x	PM-10	PM-2.5
2008	1.403	0.079	0.113	0.007	0.003
2009	1.022	0.063	0.118	0.007	0.003
2010	0.813	0.044	0.096	0.007	0.003
2011	0.363	0.014	0.059	0.006	0.002
2012	0.363	0.014	0.059	0.006	0.002
2013	0.363	0.014	0.059	0.006	0.002
2014	0.363	0.014	0.059	0.006	0.002
2015	0.208	0.007	0.017	0.001	0.000
2016	0.208	0.007	0.017	0.001	0.000
Cumulative Total	5.106	0.597	0.256	0.047	0.017

For more information...

Google “FAA VALE” to reach the web address:

www.faa.gov/airports_airtraffic/airports/environmental/vale

- **Available information on the website**
 - Technical Report with section on how to apply
 - New VALE brochure
 - Updated list of eligible airports
- **Coordinate early with the FAA Region or ADO**
 - AIP/PFC/VALE guidance
 - Application review
 - Compliance

